

**Delia Castillo De Colorado
Gloria M. Oppenheimer Keelan
Abogadas-Notarios**

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May 13, 1993

**Federal Elections Commission
999 E St. NW
Washington, D.C. 20463**

Gentlemen:

My husband, Antonio J. Colorado, ran for Resident Commissioner of Puerto Rico in the last November elections, and there are some excess funds from said campaign. Even though we have studied the pertinent provisions regarding the use of excess funds after a campaign, we have some questions for which we would like to have your interpretation.

Please be so kind as to answer in writing the following questions:

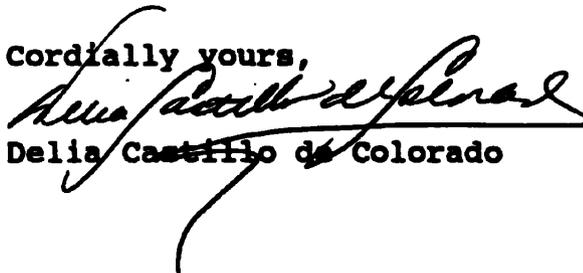
(1) Can excess funds be transferred to a local committee created to nominate a person as candidate to a political position in a political party, in this case, nomination for the position of candidate for Governor of one of the parties in Puerto Rico.

(2) Can excess funds be transferred to a non-profit corporation created under the laws of Puerto Rico.

(3) Can excess funds be used to pay for a study of public opinion about the candidacy of Mr. Colorado in the last November elections and the reasons why he lost the election, so that he may be prepared to face the 1996 elections for which he is planning to run.

Thank you very much for your help in this matter. Should you need further information on the above, do not hesitate to contact the undersigned.

Cordially yours,


Delia Castillo de Colorado



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 1, 1993

Delia Castillo De Colorado
Comite Amigos Tito Colorado
PO Box 192772
San Juan, PR 00919-2772

Dear Mrs. Castillo De Colorado:

This refers to your letter dated May 13, 1993, concerning the application of the Federal Election Campaign Act of 1971 ("the Act"), as amended, to various uses of excess campaign funds from the 1992 campaign of your husband, Antonio J. Colorado.

You state that Mr. Colorado was a candidate in 1992 for Resident Commissioner of Puerto Rico. According to reports filed with the Commission, Mr. Colorado's principal campaign committee, Comite Amigos Tito Colorado (the "Committee") had cash on hand totaling \$56,604 and no debts as of December 31, 1992. You wish to use funds which you identify as excess funds for various purposes. These are:

1. the transfer of such funds to "a local committee created to nominate a person as candidate to a political position in a political party." You identify this candidacy as "nomination for the position of candidate for Governor of one of the parties in Puerto Rico;"

2. the transfer of the funds to a non-profit corporation created under the laws of Puerto Rico; and

3. the use of excess funds to pay for a study of public opinion concerning the candidacy of Mr. Colorado in the 1992 election. You state that this study may assist him in preparing for a prospective campaign in 1996.

This office notes that your inquiry concerns permissible uses of excess campaign funds. Your attention is directed to 2 U.S.C. §439a, 11 CFR 113.1 and 113.2. The cited statute section and regulations define and delineate the allowed uses of excess campaign funds. In addition, several advisory opinions have offered guidance in this area. For example, Advisory Opinions 1986-5 and 1981-2 concerned the use of excess funds for

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subsequent federal or non-federal campaigns. In addition, advisory opinions 1986-39 and 1983-27 discussed the use of such funds for charitable purposes. For your information and guidance, copies of these opinions as well as the above statute section and regulations are enclosed.

The Act authorizes the Commission to issue an advisory opinion in response to a "complete written request" from any person with respect to a specific transaction or activity by the requesting person. 2 U.S.C. §437f(a). Commission regulations explain that such a request "shall include a complete description of all facts relevant to the specific transaction or activity with respect to which the request is made." 11 CFR 112.1(c). Finally, this office is authorized to determine if a request is incomplete or otherwise not qualified as an advisory opinion request. 11 CFR 112.1(d).

After reviewing the enclosed material, you may still wish to request an advisory opinion. If so, this office has determined that additional facts and information from you are necessary to consider your inquiry.

1. Regarding the first proposed use of excess campaign funds, please clarify the position to which Mr. Colorado would seek election. For example, is the office sought an internal party leadership position such as a party chairmanship or is it an elected public office, such as the Governor of Puerto Rico.
2. In your second proposal, please identify if possible the organization that will be the recipient of campaign funds, describe Mr. Colorado's association with that organization, and state if, to your knowledge, this organization is also subject to United States tax law.
3. Your third proposal mentions Mr. Colorado's possible involvement in a 1996 campaign. If this campaign is other than the one described in your first proposal, please identify the office to which Mr. Colorado will seek election.

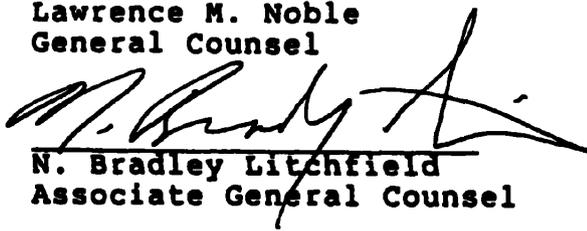
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Upon receiving your response to this request for information, this office and the Commission will give further consideration to your inquiry as an advisory opinion request. If you have any questions concerning the advisory opinion process, the advisory opinions enclosed, or this letter, please contact the undersigned.

Sincerely,

Lawrence M. Noble
General Counsel

BY:


N. Bradley Litchfield
Associate General Counsel

Enclosures

Statute and regulations 2 U.S.C §439a, 11 CFR 113.1, and 113.2
Advisory Opinions 1986-39, 1986-5, 1983-27, and 1981-2.

**Delta Castillo De Colorado
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June 28, 1993

**N. Bradley Litchfield, Esq.
Associate General Counsel
Federal Elections Commission
999 E St. NW
Washington, D.C. 20463**

AOR 1993-10

Dear Mr. Litchfield:

Thank you for your recent letter dated June 1 answering our queries regarding the use of excess funds of a federal campaign. Since we would appreciate an advisory opinion, we will elaborate on the answer to your questions so that you have all the pertinent facts.

(1) The Popular Democratic Party, to which Mr. Colorado belongs, will elect the President of the Party during the first part of 1994. Thereafter, the Party will nominate or elect a candidate for Governor to run in the 1996 elections, who may or may not be the person occupying the presidency at the time of the election. It is foreseeable that there will be a primary next year for the election of Party President, in which primary Mr. Colorado will participate, and a committee will be created to support his candidacy. It is for the committee to support Mr. Colorado for Party President that we want to know if it is acceptable that excess funds from his federal campaign may be transferred.

(2) The present governing party in Puerto Rico is going to celebrate a plebiscite in November concerning the status of the Island. Mr. Colorado and a group of friends would like to create a non-profit corporation not related to any political party, to defend the present status and campaign for Commonwealth. This corporation will not be subject to United States tax law because its work will be only in Puerto Rico. It is to this corporation in support of and to campaign for Commonwealth that we would transfer excess funds if acceptable.

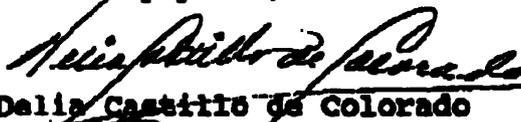
(3) The candidacy to which Mr. Colorado will aspire in the 1996 elections is that of Governor of Puerto Rico. He

would like to start preparing for that candidacy with a survey or study about the reasons why he lost the election, and an inquiry on the principal issues that interest the voters. Could the existing Comite Amigos Tito Colorado pay for such a study from excess funds?

We want to make clear that in all of the above instances the funds will never be used for the personal benefit of Mr. Colorado, since we understand and abide by the provision that prohibits said use, except for reimbursement of any ordinary and necessary expenses that Mr. Colorado may incur on behalf of the committee and corporation described in paragraphs one and two above.

Thank you very much for your help in this matter. Should you need further information, do not hesitate to contact the undersigned.

Cordially yours,


Delia Castillo de Colorado